



Ajuntament de Barcelona
Economic Promotion



BARCELONA DATA SHEET

2008



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In recent years Barcelona has acquired the elements necessary to put it at the leading edge of international business: expansion of the airport, port and exhibition centre, arrival of the high-speed train, new city projects such as the new 22@ technology district, etc.

This evolution, built on solid foundations, has provided the city with a legacy that will allow it to face the future with hope at a time when the signs are indicating slower global economic growth. We offer first-class facilities for businesses, we have an accredited and prestigious brand, we have a diversified economy with value-added sectors (ICT, media, biotechnology and medicine, energy and environmental industries, aeronautics, design and agro-food) and, finally, we have quality of life.

We hope that this new edition of *Barcelona Data Sheet 2008* will serve to transmit this potential of Barcelona as a solid investment option for businesspeople who are committed to and believe in the future of the city.

JORDI HEREU I BOHER · Mayor of Barcelona



The following publication is the result of a process that has evolved over the past 6 years and is aimed at creating a useful tool for providing a complete and systematic presentation of the economic potential of Barcelona.

In this publication, you can quickly find easy-to-understand objective arguments that explain why Barcelona is considered one of the European cities with the greatest projection in the business world. This fact is acknowledged by independent bodies that have situated Barcelona in the first division in Europe, alongside capitals that are historic powerhouses, such as London, Paris or Frankfurt.

The data are provided in an international business context and take into account the change in the economic cycle that began to affect the world economy in 2007. Thus, we hope that this publication will serve as a useful tool for international investors when making objective decisions that will allow them to do better business at a time when, more than ever, decisions need to be backed up with solid arguments.

We hope, therefore, that the new edition of *Barcelona Data Sheet 2008*, published in English, Spanish and Catalan, will provide a suitable response to the expectations of businesspeople interested in the opportunities our city affords.

JORDI WILLIAM CARNES · Deputy Major
of Local Public Finance and Economic Promotion



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01.
BARCELONA: METROPOLIS
OF THE MEDITERRANEAN

1.1 LOCATION, AREA AND POPULATION

Barcelona is the economic, cultural and administrative capital of Catalonia and is one of the principal metropolises of Spain and the European Union.

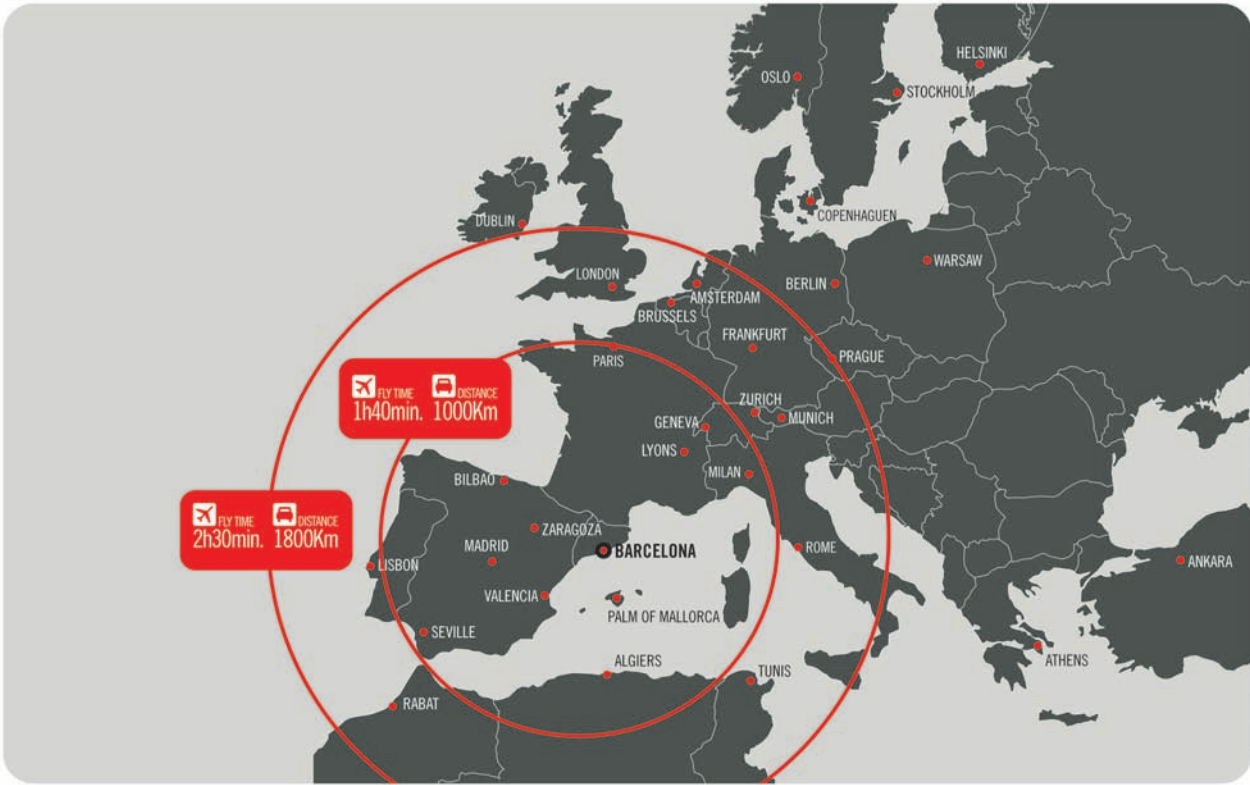
It is located on the shores of the Mediterranean, in northeastern Spain. A mere 2 hours from France by road and well connected to the major cities of Europe, Barcelona is in a strategic geographic location.

With almost 1.6 million inhabitants and an area of only 100 km², the city of Barcelona has one of the highest population densities in Europe. As well as its registered

citizens, Barcelona also attracts many visitors and tourists throughout the year.

But the "real" Barcelona goes beyond the frontiers of the administrative city. Hence, the metropolitan region of Barcelona includes more than 160 municipalities with some 4.8 million inhabitants (10.7% of the population of Spain).

Barcelona also acts as a centre of an "economic Euroregion", defined by the cities within 3 hours by road, with more than 17 million inhabitants, including the Balearic Islands, Valencia, Aragon and southwestern France.



POPULATION AND AREA				
	Population January 2007 (inhab.)	Population over Spain Total (%)	Area (km²)	Density (inhab./km²)
Barcelona	1,595,110	3.5%	101	15,793
Metropolitan Region	4,856,579	10.7%	3,236	1,501
Catalonia	7,210,508	16.0%	31,895	226
Spain	45,200,737	100.0%	505,988	89

Source: Barcelona City Council, National Institute of Statistics (INE)

1.2 DEMOGRAPHICS OF BARCELONA

The age pyramid for Barcelona is similar to that of the other most advanced European cities. The birth rate has risen slightly in recent years, as has the bracket corresponding to the younger citizens. Life expectancy in Barcelona continues to rise slowly and is one of the highest in Europe.

DEMOGRAPHIC INDICATORS IN BARCELONA	
Age Structure (2006)	
0-14 years	11.7%
15-64 years	67.7%
65 years and over	20.6%
Life Expectancy (2004)	
Men	77.0 Years
Women	83.9 Years
Birth Rate (2006)	
	8.8 per 1,000
Mortality (2006)	
	9.3 per 1,000
Fertility Rate (2005)	
Births per 1,000 women between 15 and 49 years	38.4 per 1,000

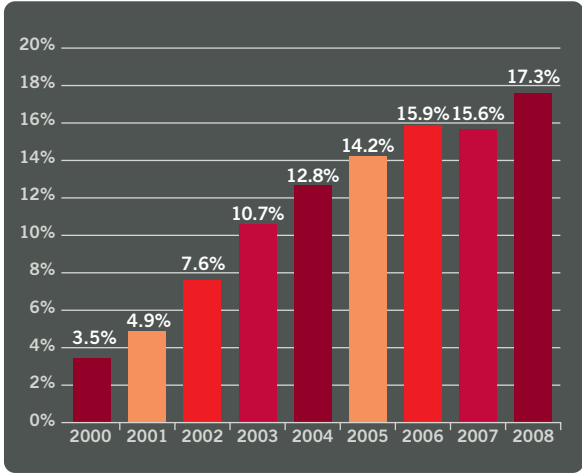
Source: Barcelona City Council

The arrival of immigrants in Barcelona has rejuvenated the city's population. This influx has raised the specific weight of the under-15 age bracket with respect to the total population, while reducing the percentage of those over the age of 65 years.

1.3 FOREIGN POPULATION

The tolerant and welcoming nature of the city attracts foreigners, many of whom decide to live here. With 280,817 people in January 2008, the foreign population represents 17.3% of the total number of residents. As we can see from the following graph, the growth of this group has been particularly acute in recent years.

FOREIGN RESIDENTS AS A PERCENTAGE OF THE TOTAL POPULATION

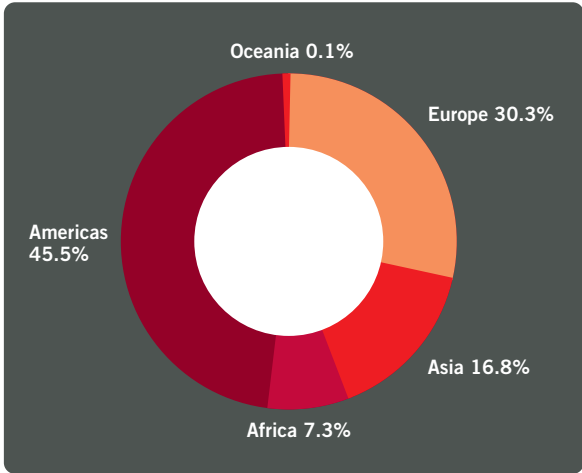


Source: Barcelona City Council. Note: data from January 1st of each year.

During 2007, the number of foreign residents increased by 11.9% - the lowest interannual rate since 2000, excluding the drop in 2006. Last year saw the implementation of a change in regulations that meant removing 30,000 residents from outside the EU from the registry. Thus, the figures for January 1st 2008 should be compared with those of January 1st 2006 as those for 2007 should be considered as exceptional.

The arrival of new citizens means that the city is increasingly diverse, with more than 150 nationalities represented. In terms of the new arrivals by continents of origin, the Americas takes first place (45.5%), due to the large number of Latin Americans, followed by Europe (30.3%), Asia (16.8%) and Africa (7.3%).

FOREIGN RESIDENTS IN BARCELONA BY CONTINENT OF ORIGIN



Source: Barcelona City Council (January 2007)

FOREIGN RESIDENTS IN BARCELONA, BY COUNTRY OF ORIGIN

Ecuador	22,943
Italy	20,843
Bolivia	18,759
Pakistan	15,966
Peru	15,240
Morocco	13,998
Colombia	13,032
China	12,938
France	12,557
Argentina	9,922
Brazil	9,006
Dominican Republic	7,101
Germany	7,070
Philippines	7,023
Romania	6,733
United Kingdom	5,993

Source: Barcelona City Council (January 2008)

In the breakdown by countries of origin of foreign residents, the European Union (27) shows a notable presence of Italian, French, German, Rumanian and British citizens. The largest non-EU groups in the city are Ecuadorians, Bolivians, Pakistanis, Peruvians and Moroccans.

Some 53% of foreign residents in Barcelona are men and 47% are women. The mean age is 32 years, which has helped to rejuvenate the age pyramid and increase the active population of the city.

02. ECONOMIC MOTOR WITH A DIVERSIFIED STRUCTURE

2.1 ECONOMIC ACTIVITY AND GROWTH

Gross domestic product (GDP) provides a measure, in monetary units, of the overall activity of the economy in a territory over the course of a year. According to data from the Catalan Institute of Statistics (IDESCAT), the Catalan economy produced goods to the value of €208,627 in 2007 - equivalent to 19.87% of the total for Spain. Catalonia is the region that contributes most to the Spanish GDP and is the second largest region in terms of population.

GROSS DOMESTIC PRODUCT AT MARKET PRICES (CURRENT PRICES) Million €

	Spain	Catalonia	Percentage Catalonia/Spain
2005	904,323	181,029	20.0%
2006	976,189	195,284	20.0%
2007	1,049,848	208,627	19.9%

Source: Idescat, INE

The annual variation in GDP in real or constant terms (adjusted for the effects of inflation) provides a good indicator of global and territorial economic growth.

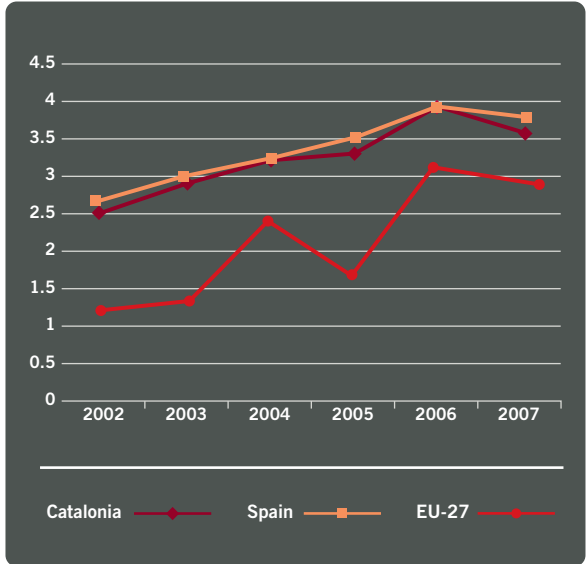
ECONOMIC GROWTH
Annual GDP variation rates at constant prices

	2006	2007
Catalonia	3.9	3.6
Spain	3.9	3.8
European Union (EU27)	3.1	2.9

Source: Idescat, INE, Eurostat

The trend in recent years shows that Spain and Catalonia have grown at a considerably higher rate than the mean for the European Union. In 2007, the Spanish and Catalan economies grew by 3.8% and 3.6%, respectively. While the economic outlook for our economy for the coming years is not as good as the results obtained to date, the forecasts indicate a relatively good trend for the economy of Barcelona in a context of an incipient global economic slowdown.

ECONOMIC GROWTH
(REAL ANNUAL GDP VARIATION RATES)



Source: Idescat, INE, Eurostat

The sustained economic growth of Barcelona in recent years has placed the city in the world ranking of capital cities with the greatest economic potential, according to a study carried out in early 2007 by the consulting firm, PriceWaterhouseCoopers. Barcelona holds 31st place, ahead of cities such as Shanghai and Singapore, in the ranking of the 36 cities with the strongest economies that account for 16% of world production.

2.2 PER CAPITA PRODUCT

Per capita GDP makes it possible to compare standards of living between territories. If this indicator is adjusted for differences in the price levels and spending capacity in each region or country studied, these comparisons are more reliable. When these adjustments are made, we talk about per capita GDP in terms of purchasing power parity (PPP).

PER CAPITA GDP In Purchasing Power Parity 2006		
Catalonia	€ 25,651	109.4
Spain	€ 23,000	105.0
European Union (EU27)	€ 21,905	100.0

Source: Eurostat. Regions Yearbook 2007

According to the estimates of the European office of statistics, Eurostat, Catalonia has a per capita GDP in terms of PPP that is 9.4% higher than the European average and 5% higher than the Spanish average.

2.3 PRODUCTION SPECIALIZATION

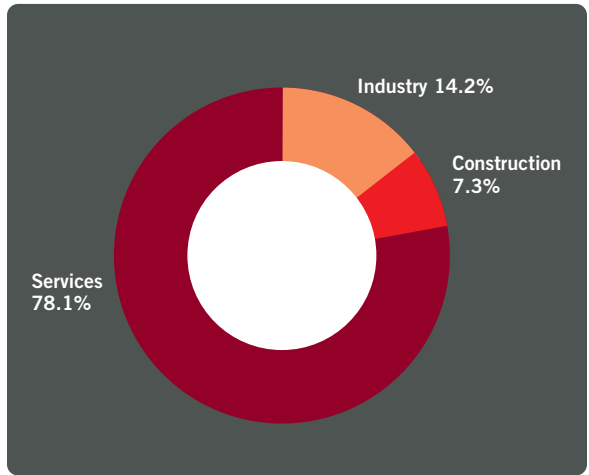
Barcelona has a long and solid tradition of classic manufacturing activities and has been the Spanish leader for many years in different production sectors: automobiles, chemical-pharmaceutical, food, publishing, consumer electronics, etc. Many of these activities have been gradually abandoned by the city and, in recent decades, they have been moved out to the metropolitan region or other locations. Thus, the city has concentrated on services, which employ 83.1% of its workers.

PRODUCTION STRUCTURE: PERCENTAGE OF WORKERS BY ECONOMIC SECTOR, 2007			
	Barcelona	Catalonia	Spain
Agriculture	0.2%	0.5%	0.6%
Industry	11.0%	20.0%	16.5%
Construction	5.6%	10.3%	13.0%
Services	83.1%	69.4%	69.9%
Total	100.0%	100.0%	100.0%

Source: Barcelona City Council and Idescat
Note: In Barcelona, people paying social insurance under the general regimen includes the self-employed

Barcelona's specialization in services is considerably below the levels of other big cities, such as Paris, London or Frankfurt, where services represent more than 95% of the total for the economy. In this regard, Barcelona maintains a relative diversification of production activities, with a very strong services sector and a significant industrial base. The production structure can also be seen by analysing businesses. According to the Central Business Directory of the National Institute of Statistics, 78.1% of businesses with employees in the province of Barcelona in January 2007 were in the services sector, 14.2% in industry and 7.3% in construction.

PRODUCTION STRUCTURE OF BARCELONA
(% BUSINESSES WITH EMPLOYEES BY SECTOR)



Source: INE

03.
ENTERPRISE AND ENTREPRENEURS

3.1 BUSINESSES

At the end of 2007 there were 477,942 businesses located in the province of Barcelona, according to the Central Business Directory of the INE. This figure corresponds to 14% of all the businesses in Spain and 76.3% of the total number of Catalan businesses.

Catalonia, with 626,020 businesses (18.3% of the Spanish total), continues to be the autonomous community with the highest number of businesses. The total number of businesses for the entire Spanish state was 3,422,239.

Between the end of 2006 and the end of 2007, the number of active businesses in the province of Barcelona increased by 1.8%.

BUSINESS HEADQUARTERS Data From December 2007			
	Number of Companies	Percentage of Total	06-07 Variation
Barcelona (province)	477,942	14.0%	1.8%
Catalonia	626,020	18.3%	2.2%
Spain	3,422,239	100%	2.6%

Source: Idescat. INF

Analysing the data on Barcelona in more detail, we see that 54% of all active businesses at the end of 2007 had no employees and are, therefore, self-employed. Businesses with employees represent 46% of the total. Businesses with 200 or more employees were the ones that grew most with respect to the previous financial year, with an increase of 5.1% over the mean of 1.8%.

In terms of size, the vast majority of businesses with employees are small and medium-sized enterprises (SMEs) with less than 200 employees; big companies represent 0.2% of the total.

BARCELONA BUSINESSES BY NUMBER OF EMPLOYEES Data From December 2007			
	Number of Businesses	Percentage	06-07 Variation
Without employees	258,125	54.0%	2.0%
With employees:	219,817	46.0%	1.6%
1-199 employees	218,691	45.8%	1.6%
More than 199 employees	1,126	0.2%	5.1%
Total businesses	477,942	100.0%	1.8%

Source: INE. Central Business Directory (DIRCE)

3.2 TRADING COMPANIES

One of the basic ways of carrying out a business activity is by creating a trading company.

According to the Central Mercantile Register of the National Institute of Statistics, in 2007 Catalonia was the location of 17.9% of new companies constituted in Spain. A total of 25,466 companies were created. The province of Barcelona contributed 13.5% of all the companies constituted in Spain, with 19,188 businesses created in 2007. Although the creation of companies has slowed down and there has been an increase in the rate of closure of companies in the 3 territories under comparison, only 6% of the company closures in Spain in 2007 took place

in Barcelona - a small percentage of the total number of active companies.

Trading Companies	2006 Total	2007 Total	Percentage of Total	06-07 Variation
Creation in Barcelona	20,818	19,188	13.5%	-7.8%
Creation in Catalonia	27,736	25,466	17.9%	-8.2%
Creation in Spain	147,721	141,986	100%	-3.9%
Closure in Barcelona	753	1,150	6%	52.7%
Closure in Catalonia	1,458	2,557	14.3%	75.4%
Closure in Spain	10,935	17,872	100%	63.4%

Source: INE. Central Business Directory

These data arise at a time (second half of 2007) of the slowest economic growth at international level but in which the city is sustaining its indicators that, so far are holding out better than in other territories. This better result for the city in the context of a global scenario of a changing economic cycle is due to the greater diversification in the sectors of its economy, smaller exposure to the fluctuations in the construction industry (which represents only 7.3% of companies with employees), the preeminent position of value-added services (ICT, finance, education, health care, etc) and a tremendous entrepreneurial spirit.

3.3 BARCELONA: A CITY WITH A STRONGLY ROOTED ENTREPRENEURIAL SPIRIT

Catalonia is traditionally noted for its entrepreneurial spirit in comparison with the rest of Spain. According to the Global Entrepreneurship Monitor (GEM) annual report, the index of entrepreneurial activity in Catalonia (percentage of the adult population taking part in a new business activity) in 2006 was 8.6%, higher than the Spanish average (7.3%) and the European average (5.5%). A comparison with data from 2005 shows that there was an increase in Catalonia of the index of entrepreneurial activity of 1.8 percentage points - slightly higher than the increase in the Spanish average (1.6 points), in a context in which this index has stagnated in Europe as a whole.

INDEX OF ENTREPRENEURIAL ACTIVITY			
	2005	2006	05-06 Variation
Catalonia	6.8%	8.6%	1.8 points
Spain	5.7%	7.3%	1.6 points
European Union	5.5%	5.5%	0 points

Source: Global Entrepreneurship Monitor (GEM) report, 2005 and 2006

Barcelona is a leader in encouraging this enterprising spirit. Proof of this decided character is the drive to create businesses by the municipal company, Barcelona Activa. This company is the instrument for the design and execution of the employment, innovation and business-creation policies in the city, and during 2007, it accompanied 1189 new business projects, of which 60% finally resulted in companies being constituted. Thus, with the support of Barcelona Activa, 700 new companies are created each year - companies that create employment for more than 1500 people. Barcelona Activa also accompanied the growth of 366 companies, 116 of which were in value-added sectors (ICT, engineering, etc.), generating 850 jobs.

04.

EMPLOYMENT, TRAINING AND TALENT

4.1 RATES OF ACTIVITY, EMPLOYMENT AND UNEMPLOYMENT

According to official data on the labour market, the city of Barcelona and Catalonia have high rates of activity among their working-age population in comparison with the average for Europe and for Spain. In both territories, the employment rate in the second quarter of 2008 has already exceeded the European target, set at the Lisbon Summit, of reaching 70% by 2010. Furthermore, unemployment estimated from the surveys carried out is lower than the European averages. Nevertheless, the recent slowdown in the global economy means that the forecast for positive trends in labour market indicators is not so good going forward as the behaviour of the market until early 2008.

In this context of uncertain forecasts, typical of a period of change in the economic cycle, it should be noted that, until well into 2008, the labour market in Barcelona has resisted the economic slowdown well and is maintaining high levels of employment and low levels of unemployment in relation to historical trends.

LABOUR MARKET INDICATORS Second Quarter 2008			
	Rate of Activity	Rate of Employment	Surveyed Unemployment Rate
Barcelona city	80.3	74.7	7.0
Catalonia	78.1	72.1	7.6
Spain	73.6	65.9	9.7
European Union (EU-25)*	70.1	65.4	7.1

Source: Catalan Government Department of Labour.
Notes: Specific labour rates for the 16-64-year-old population.
*For the EU, data correspond to the 4th quarter of 2007.

4.2 JOBS IN BARCELONA

An indicator of the size of the labour market in Barcelona is the number of people registered with the social security system, which is compulsory.

Taking into account salaried workers under the general social security regimen and self-employed workers, the city of Barcelona has more than 1 million jobs, representing 5.6% of the total for Spain.

WORKERS REGISTERED WITH SOCIAL SECURITY Data From the 2nd Quarter of 2008 General Regimen and Self Employed		
	Totals	Percentage of Spanish Total
Barcelona city	1,077,100	5.6%
Metropolitan region	2,561,953	13.4%
Catalonia	3,428,657	17.9%
Spain	19,184,842	100.0%

Source: Catalan Government Department of Labour and Industry

The arrival of immigrants in Barcelona, most of them of working age, has rejuvenated the working population of Barcelona. The increase in foreign workers has multiplied sevenfold in Barcelona in a decade.

A total of 914,196 contracts (temporary and permanent) were signed in Barcelona in 2007, of which 262,411 (28.7%) were signed by foreign workers.

4.3 COMPETITIVE SALARIES

Barcelona continues to be a highly competitive city in terms of labour costs when compared with the world's major cities. This can be seen from the study carried out annually by the Union de Banques Suisses (UBS) to analyse global prices and salaries.

Taking New York as base 100, Barcelona is at 70.3 in gross salaries and 81.4 in net salaries, below the levels of cities such as Dublin, Amsterdam, Frankfurt, Geneva and Paris.

SALARY LEVELS IN WORLD CITIES, 2007		
City	Gross Salary (New York=100)	Net Salary (New York=100)
Copenhagen	140.9	114.1
Zurich	130.0	140.3
Geneva	125.4	130.4
Dublin	111.7	132.3
London	102.2	110.0
Frankfurt	104.8	102.4
New York	100.0	100.0
Vienna	94.8	97.9
Amsterdam	92.6	87.3
Paris	81.0	81.4
Tokyo	79.7	89.3
Barcelona	70.3	81.4
Miami	67.9	74.4
Rome	55.8	59.0
Athens	52.3	59.3

Source: Union de Banques Suisses (2008)

The competitive structure of salaries in Barcelona means that operating costs are lower in companies that set up in the city in comparison with other alternative locations.

4.4 TRAINING AND ATTRACTION IN UNIVERSITY AND HIGHER EDUCATION

Barcelona has 8 universities: 5 public universities (University of Barcelona, Universitat Autònoma de Barcelona, Technical University of Catalonia, Universitat Pompeu Fabra and the Open University of Catalonia - a distance-learning university) and 3 private universities (Ramon Llull University, Universitat Internacional de Catalunya and Abat Oliba CEU University). In the city, there are also headquarters and attached centres of other Catalan, Spanish and foreign universities.

According to data from the Catalan Government Department of Education and Universities, a total of 227,062 first-cycle, second-cycle and third-cycle students registered in Catalan universities in the 2005-2006 academic year.

Barcelona is chosen as a first- and second- cycle university destination mainly by students from the European Union and neighbouring countries. If we look at the data from the Erasmus exchange programme as a significant sample, we see that the almost 4000 students from other countries who studied at university in Barcelona in the 2004-2005 academic year were predominantly from Italy, France, Germany, the UK and Belgium, in that order.

As well as the 8 universities mentioned, Barcelona is the headquarters of prestigious business schools, including the IESE Business School, the ESADE Business School and the EADA Business School. In this sector, Barcelona is an internationally accredited brand since few cities in the world can boast a concentration of business schools

of such high level as in the Catalan capital, and many foreigners travel to Barcelona each academic year to attend classes in business management.

4.5 FOREIGN SCHOOLS

Barcelona and its surroundings have many foreign schools that teach foreign syllabuses. These include the Lycée Français, the Swiss School, the Japanese School of Barcelona, the Saint Albertus Magnus German School, the Liceo Italiano, the Italian Elementary State School, the American School of Barcelona, the Benjamin Franklin International School, the English School, the British School of Barcelona, and many others. There are, in fact, a total of 27 schools, teaching in 5 languages: English, French, German, Italian and Japanese.

05.

REAL ESTATE FOR BUSINESSES

Barcelona has differentiated its urban planning with a mixed usage of spaces, combining different uses in each district of the city: residential, commercial and business.

Real estate currently available for economic activity includes more than 5 million square meters of office space, 10,81 million square meters for economic activities in Barcelona Economic Triangle (see map on page 12) and a network of 19 commercial arteries that make up the commercial and business activity of the city. The city is currently configuring its available space for doing business, with many urban transformation projects that configure multiple centres of activity distributed throughout the Barcelona area. This philosophy responds fully to the new requirements put forward by the strategic activity sectors that the city wants to potentiate.

5.1 OFFICES

Barcelona has a stock of 5.2 million square meters of office space. The new urban development projects will increase this area even further and will improve the city's capacity to facilitate the growth of business activities.

At the beginning of the second quarter of 2008, office availability in Barcelona was at 6.21% of the total. This figure is equivalent to more than 320,000 m² of immediately available office space, largely located in the

new business areas, strategic zones of Barcelona and mixed space distributed throughout the city's districts. Rental represents more than 86% of the total market and accounts from almost all the space on offer in these strategic zones. With the gradual release of the new space on offer, with an excellent price/quality ratio, it is possible to ensure immediately available space at stable future prices; at levels either similar to or more competitive than current prices.

OFFICE SPACE INDICATORS

Total office stock in July 2008-10-13	5,208,037 m ²
Available office stock	323,419m ²
Vacancy rate (Central Business District)	6.21%
Prime Line (Pg de Gràcia-Diagonal)	18-22 €/m ² /month
Business District (consolidated centre)	16-22 €/m ² /month
City Districts (mixed space)	13-22 €/m ² /month

Source: Cushman & Wakefield, Jones Lang Lasalle (2st quarter 2008)

BARCELONA ECONOMIC TRIANGLE (BET)

International Gateway (Llobregat area)	4,424,000 m ² *
22@ Innovation & Creativity (Besòs area)	3,708,600 m ² *
Mediterranean Corridor (Vallès area)	2,678,100 m ² *
TOTAL Barcelona Economic Triangle (BET)	10,810,700 m² *

* Includes available economic activities areas and new projects 2008-2012

In 2007 and early 2008, contracting in the office market was brisk with levels similar to those of previous years and with some 350,000 square meters occupied in the course of the operations carried out in the period. This fact confirms a sustained demand for business premises in a context of a general slowdown in the real estate market, following years of strong growth.

The average rent for offices in Barcelona during this period is calculated at approximately €22.5/m²/month. This average hides a wider and more diverse reality that the city wants to potentiate, as there is a range of prices that, depending on the area, the quality of the spaces and the ratio of supply in the city's districts, makes it possible to find much more flexible opportunities.

The available offices in Barcelona are located around 4 geographic areas. The area considered as first-tier coincides with the most prestigious avenues of the city, Passeig de Gràcia and Diagonal. The stock of offices is quite rigid, less than 4% of the total, and the maximum prices are used for international comparisons that do not really reflect the diversity of the market. Another real-estate area is the central Eixample district, which represents approximately 16% of office stock and is

undergoing continuous renovation. The third area is comprised of the rest of the city's districts, which account for more than 40% of the total available stock, with new mixed-use spaces. Finally, the fourth area includes different zones of strategic economic activity, forming a triangle, that contain the remaining 40% of the available space, with a continuously growing weight and highly competitive prices.

The distribution of the stock is constantly changing as new developments come on to the market and old office buildings are transformed in terms of their use. Thus, in recent years, a significant number of office buildings located in areas with high residential value or in a privileged situation have been transformed into hotels or residential housing, and new spaces take over and concentrate the majority of the new office space entering the market. This process helps to renovate the obsolete real estate while adapting the supply to the demand with new, high-quality locations.

The Poble Nou neighbourhood is home to one of the projects in this strategic triangle: the 22@ innovation district, with a potential construction limit of 3.5 million square meters and 200 hectares in the centre of the city. This project facilitates attracting and holding in the city value-added economic activity, linked to innovation and knowledge. Over the course of 2008, more than 50% of the area will be reconverted and made ready for the market. But the transformation of the district, which will carry on into the next decade, will make it to ensure gradual releases of new developments adapted to value-added uses that are knowledge intensive.

By the end of 2009, Barcelona expects to incorporate approximately 800,000 square meters into the global supply of office space - approximately 15% of the total.

FORECAST FOR NEW OFFICE SPACE

2008	337,000 m ²
2009	459,000 m ²
2010	521,000 m ²

Source: Jones Lang Lasalle (1st quarter 2008)

5.2. LAND AND INDUSTRIAL BUILDINGS

The real estate supply for industrial activities in the Barcelona area is one of the largest in the Mediterranean arc, with more than 17 million square meters.

There is a wealth of industrial estates located close to the city, notably the Zona Franca and the Logistics

Activities Zone (ZAL) to the south and close to the port and airport. Currently, there is a process under way of relocation and concentration of industry, initially located within the city, toward more specialized zones, in the form of rings or belts, located further from the historic city centre. Within the first, well-recognized belt, the available space is undergoing specialization in more logistical activities that take advantage of the proximity of the port and airport.

The demand conditions the supply that enters the market and adapts to different requirements. On one hand, the logistics and major distribution sector is seeking to rent multipurpose industrial buildings with direct access to the road network and high warehouses to facilitate automation, with sufficient loading bays. On the other hand, the industrial sector is seeking medium-sized or small buildings, normally purchased and side-by-side, to adapt them to measure.

According to the consulting firm, Cushman & Wakefield, at the beginning of 2008, the average rental price for industrial warehouses in Barcelona was €85 per square meter per year. The estimates for this market, in geographic terms, are shown in the following table.

RENTAL AND SALE PRICES FOR INDUSTRIAL SPACES IN BARCELONA

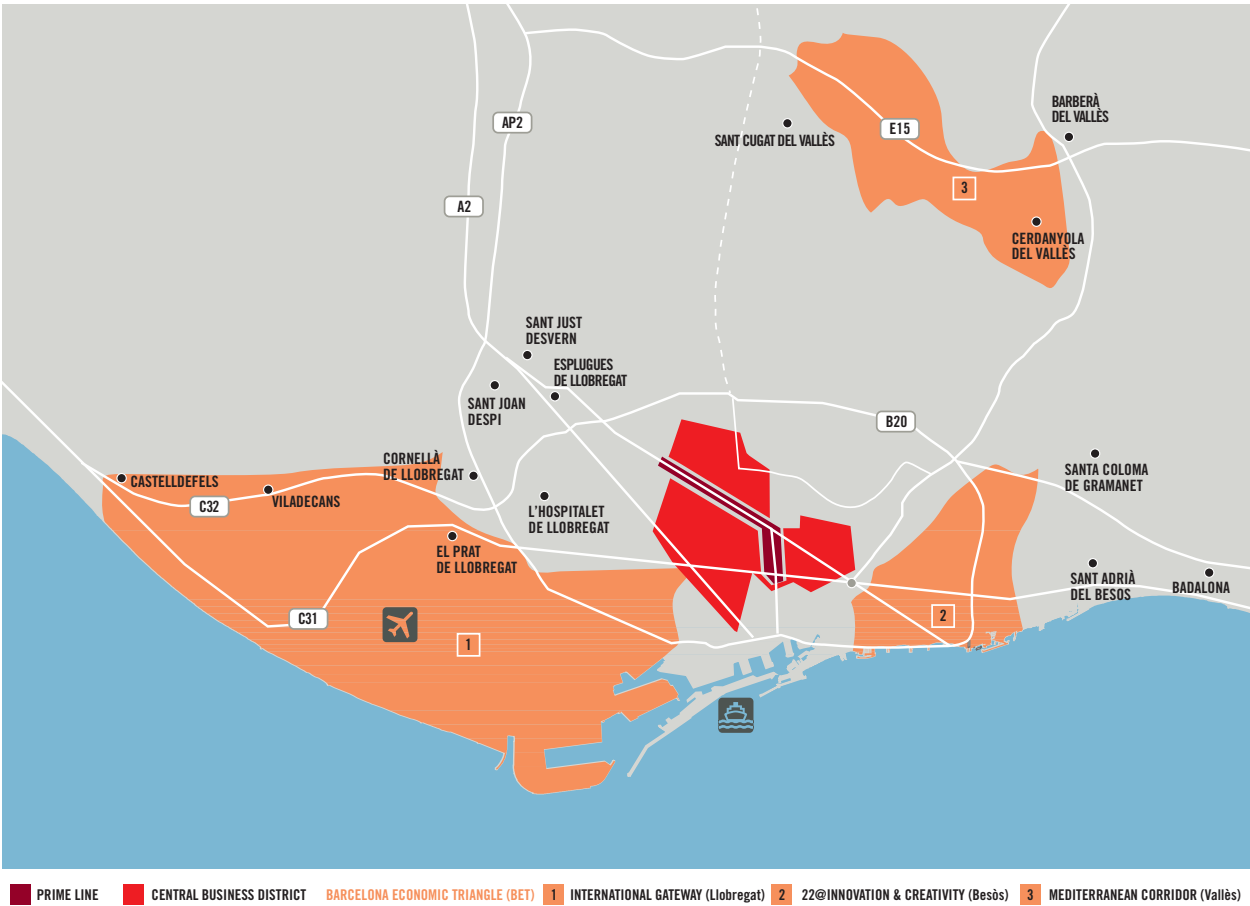
Location of Spaces	Sale Min/Max (€/m ²)	Rental Min/Max (€/m ² /month)
1st belt (Port, Zona Franca, Baix Llobregat, Vall s)	1,300 <-> 1,900	6.00 <-> 9.00
2nd belt (Metropolitan area)	900 <-> 1,500	4.50 <-> 6.75
3rd belt (Metropolitan Region)	500 <-> 925	3.00 <-> 4.50

Source: Jones Lang Lasalle, Industrial and Logistics Market Trends 2008

5.3. COMMERCIAL PREMISES

Barcelona has one of the most extensive supplies of urban commercial premises in Europe. The Barcelona commercial model is characterized by the coexistence of all commercial formats (small shops, supermarkets, shopping centres, chain stores, and department stores) and by its distribution throughout the territory of the city, as there are very attractive and diversified commercial zones or streets in all the neighbourhoods and zones of the city.

The supply of commercial spaces in Barcelona is an essential characteristic of the city's personality. Thus, the emblematic streets have high-category premises and spaces and are considered by real-estate professionals to



be the "first commercial tier" of the city. Here, we find Passeig de Gràcia, the most exclusive showcase of the city, which is compared with the main shopping avenues of other major world cities. Furthermore, the city also has a "secondary commercial zone" with mixed-use streets, with high-quality commerce, gold-standard restaurants and services offices. Also, the so-called "high-traffic zone" has shops with a high turnover of customers and products and is distributed through all the districts. Finally, the neighbourhood shopping streets comprise 19 commercial arteries distributed throughout the city and make up a network known as the "fourth line of commercial space". These commercial arteries are open-air urban stretches with a high concentration of shops and a large variety of products, and are very well connected. The consolidation of the arteries makes it possible to attract part of the population of the area, tourists and customers from nearby locations.

5.4 INTERNATIONAL COMPARISON OF BUSINESS REAL ESTATE PRICES

COMPARISON OF PRICES IN THE MAIN EUROPEAN CITIES			
Rent Price	Offices Maximums €/m ² /year	Commercial Spaces Maximums €/m ² /year	Industrial Spaces Maximums €/m ² /year
Amsterdam	375	2,000	70
Athens	300	3,600	72
Barcelona	312	2,400	102
Berlin	246	2,640	54
Brussels	280	1,580	47
Dublin	646	6,250	122
Frankfurt	432	2,700	72
Lisbon	252	900	51
London	2,229	11,148	188
Madrid	468	2,880	84
Manchester	514	4,998	86
Milan	525	2,750	70
Moscow	986	2,450	91
Paris	800	10,500	52
Prague	240	2,100	56
Rome	500	2,750	83
Stockholm	446	1,413	98
Vienna	252	2,400	54
Warsaw	324	960	48
Zurich	512	3,916	96

Source: Cushman & Wakefield Marketbeat Europe 2007-2008

06.

AN ECONOMY OPEN TO THE WORLD

6.1 FOREIGN INVESTMENT IN CATALONIA

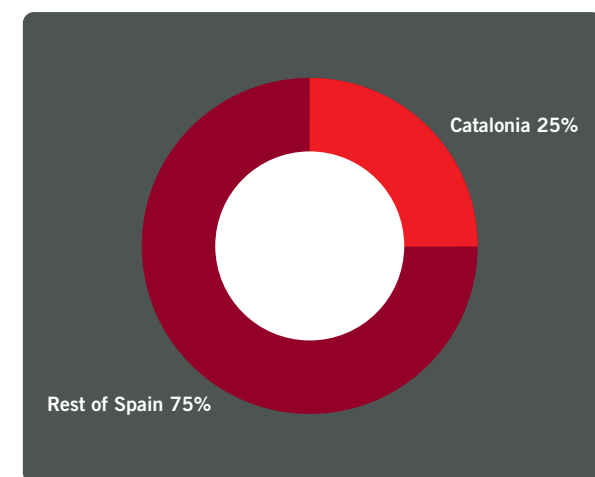
In 2007, Catalonia received €2.577 billion in direct foreign investment, a similar amount to 2006, thus confirming the stability of this variable over the past 2 years. The figure for Spain reached €28.849 billion, tripling the amount for the previous year due, essentially, to a major operation: the sale of the electric company, Endesa, to the Italian company, Enel, which accounted for 65% of the total.

FOREIGN INVESTMENT Million €				
	2006 total	2007 total	2007 without "Endesa effect"	06-07 Variation without "Endesa effect"
Catalonia	2,577.5	2,521.4	2,521.4	-2.2
Spain	9,751.1	28,849.1	10,077.1	3.3

Source: Secretary of State for Commerce
Note: Total gross investment without foreign shareholding entities

The weight of foreign investment in 2007 in Catalonia with respect to Spain was 8.7%; however, if the effect of the Endesa transaction is removed, the contribution of Catalonia is 25.6% - similar to the previous year.

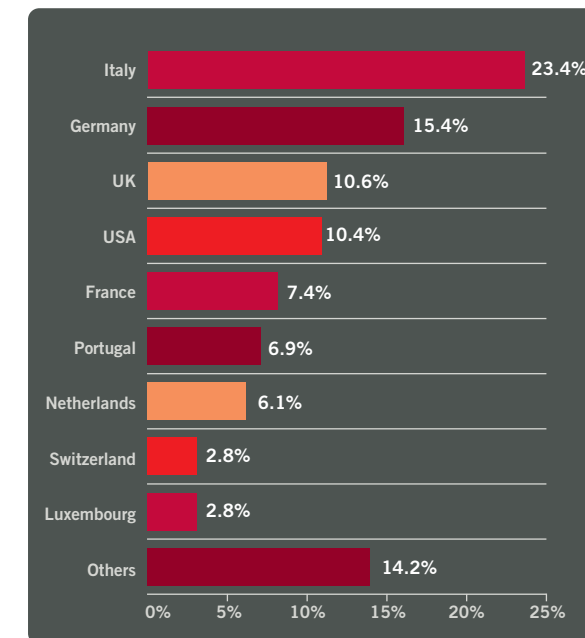
FOREIGN INVESTMENT IN CATALONIA PERCENTAGE OF SPANISH TOTAL (WITHOUT THE "ENDESA EFFECT")



Source: Secretary of State for Tourism and Commerce and authors' calculations

As is traditional, the countries of the European Union were the main investors in Catalonia in 2007 (approximately 66% of the total foreign investment received). In order of importance, the main investors in Catalonia were: Italy, Germany and the United Kingdom.

ORIGIN OF FOREIGN INVESTMENT IN CATALONIA PERCENTAGE OF TOTAL, 2007



Source: Secretary of State for Commerce

In terms of destination economic sectors, services to business and real estate received 1 of every 4 euros (26.8%) invested in Catalonia, whereas the food and beverages industry (21.9%) and the chemicals and rubber transformation and plastics industries (20.7%) received 1 of every 5 euros.

6.2 CATALAN INVESTMENT ABROAD

Catalan investment abroad in 2007 increased by almost 12% compared to data from the previous year, recording a total of €6.585 billion. The total investment of the Spanish state of €80.816 billion experienced more marked growth. Catalan investments abroad account for 8.1% of those of Spain.

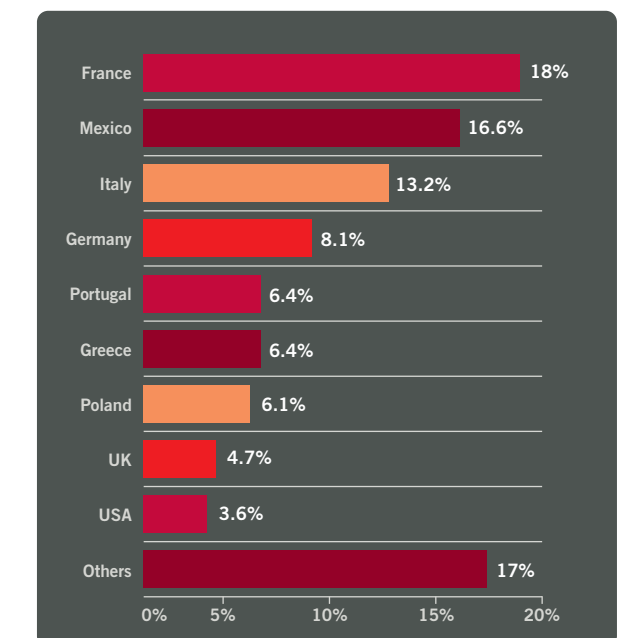
INVESTMENT ABROAD* Million €			
	2006	2007	06-07 Variation
Catalonia	5,885.80	6,584.99	11.9%
Total Spain	59,751.84	80,816.34	35.3%

*Gross investment without investment in foreign shareholding entities
Source: Register of investment abroad of the Secretary of State for Commerce

Catalan investment abroad was concentrated in the area of the European Union of 27 member countries with 67.6% of the total, followed by Latin America with 23%, North America with 3.6% and Asia and Oceania with 1.9%.

The main destinations of Catalan investments in 2007 were, in order of importance: France (18.0%), Mexico (16.6%), Italy (13.2%), Germany (8.1%), and Portugal and Greece (8.1% each).

DESTINATION OF CATALAN INVESTMENT ABROAD PERCENTAGE OF TOTAL, 2007



The economic sectors in which Catalan investments in other countries were concentrated were: telecommunications (16.2%), energy production and distribution (15.6%), the food and beverages industry (11.1%), banks and financial intermediaries (9.6%), wholesale and commercial intermediaries (8.9%), the chemicals industry (7.8%) and manufacturing of machinery and electrical material (4.6%).

6.3 EXPORTS

Exports left Catalonia in 2007 for a global value of €49.951 euros. Catalan sales increased by 6.8% over the previous year - slightly above growth for Spain (6.5%). Catalonia continues to be the leading autonomous community in Spain in terms of exports, with 27.5% of the total.

EXPORTS Million €				
	2006	2007	06-07 Variation	2007 Percentage

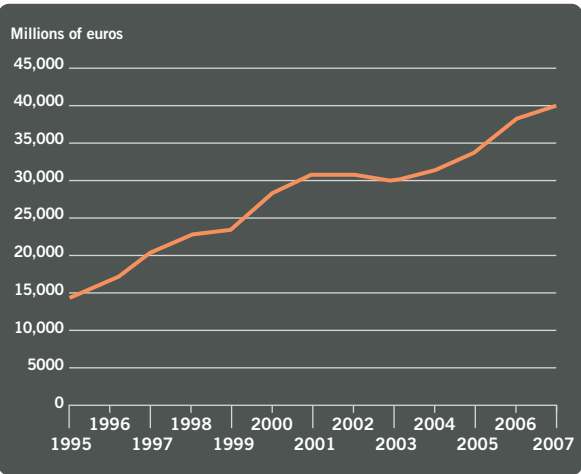
Spain	170,438.6	181,478.5	6.5%	100.0%
Catalonia	46,775.9	49,951.2	6.8%	27.5%
Barcelona (Province)	37,898.1	39,837.4	5.1%	22.0%

Source: Secretary of State for Commerce

In 2007, the province of Barcelona made sales abroad for a value close to €40 billion, with an annual increase of 5.1%. Barcelona is also the clear leader in the ranking of exporting provinces, with 22% of the total. The export capacity of Barcelona is higher than the sum of the three next provinces in the ranking, which, together, account for 20.5% of exports.

Barcelona's exports reached an historic maximum in 2007 and almost doubled the volume of sales abroad of 10 years ago.

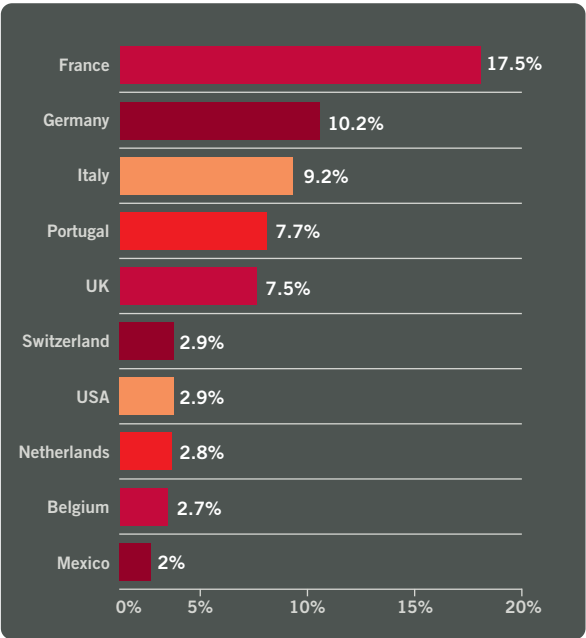
EVOLUTION OF EXPORTS FROM BARCELONA PROVINCE



Source: Secretary of State for Commerce

The province of Barcelona basically exports to its immediate environment: 69.2% of exports go to the European Union and the euro zone receives more than half of this. The top 10 customers of Barcelona include 3 outside the EU: Switzerland, the US and Mexico.

MAIN COUNTRIES FOR EXPORTS FROM BARCELONA (PROV.)
PERCENTAGE OF TOTAL, 2007



Source: Secretary of State for Commerce

By sectors, the automotive industry, which absorbs the top 3 products in demand from abroad, accounts for more than one-fifth of the province's total exports (20.7%). Also, the top 5 products (family cars, vehicle components, goods-transport vehicles, TV and radio receivers and medicines) account for almost one-third (29.6%) of the total amount exported. Of the top 20 products exported by the province of Barcelona, 15 of them have a high or medium technology content.

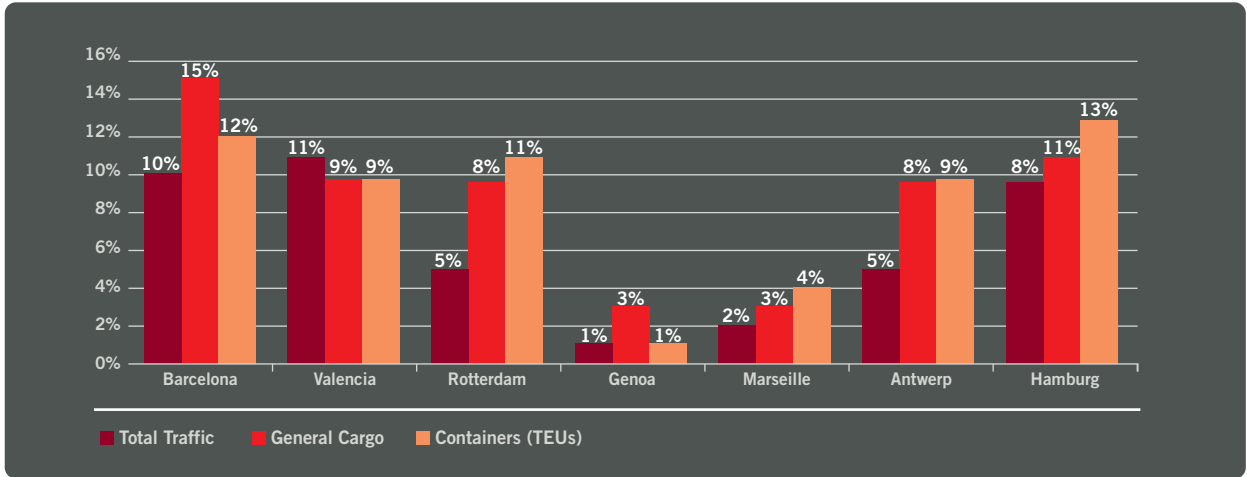
6.4 PORT OF BARCELONA

With 51.4 million tonnes of goods traffic, 2.6 million containers and 2.9 million passengers in 2007, the Port of Barcelona is one of the biggest in the Mediterranean.

PORT TRAFFIC INDICATORS Data in Millions			
	2006	2007	06-07 Variation
Goods (tonnes)	47.66	51.39	7.8%
Containers (TEUs)	2.32	2.61	12.6%
Passengers (includes ferries and cruise ships)	2.54	2.88	13.4%

Source: Port Authority of Barcelona

EVOLUTION OF MAIN EUROPEAN PORTS
2003-2006 GROWTH RATES



Source: Maritimas Newspaper

The port has seen considerable growth in commercial activity in recent years. Between 2003 and 2006, Barcelona saw an increase in general cargo traffic of 15%, far higher than the figure for other Spanish ports and higher than that of other major European ports such as Hamburg, Rotterdam and Antwerp.

The Port of Barcelona specializes in general and container cargo. These are goods with high added value, such as vehicles, electronic products and consumer goods. This makes the port the leader in Spain in terms of turnover and value of goods.

The Port of Barcelona connects points as distant as the Far East and Latin America and has an hinterland that goes beyond state borders.

The port is currently carrying out an ambitious process of expansion - the biggest in its history - that will duplicate both the maritime area (from 374 to 786 hectares) and the land area (from 558 to 1265 hectares). It is also remodelling its road and rail infrastructure to improve connections with the terminals and with the airport and to be ready for the arrival of the high-speed rail link. It will therefore improve its intermodality and will allow its competitive position in goods distribution to improve, with a substantial improvement in times.

6.5 BARCELONA AIRPORT

Barcelona airport is a fundamental link in the tourist, logistics and business chain and is located just 7 km to the southwest of the city centre, 3 km from the port and very close to Zona Franca, the largest industrial estate in Spain; Zona Franca includes important areas of goods distribution, transport and handling (Logistics Activities

Zone and Logistics Park). The airports sphere of influence comprises an are of almost 18 million inhabitants.

In 2007 it reached a new historic record in the number of passengers, with a variation of 9.6% with respect to the previous year. Since the hosting of the Olympic Games, the airport has undergone spectacular growth, from 10 million users per year in 1992 to more than 32 million in 2007.

In 2007, a total of 96,786 tonnes of commercial air freight passed through the airport, representing an increase of 3.6%. Although the volume of goods transported is modest in relation to other airports, important increases are expected in the medium term, thanks to investment in the air cargo centre.

BARCELONA AIRPORT			
	2006	2007	06-07 Variation
Total passengers	30,008,302	32,898,249	9.6%
Goods (in tonnes)	93,404	96,786	3.6%

Source: Barcelona Airport - AENA

Air traffic was benefitted by the opening of new intercontinental air routes in 2007, thanks to the action of the Air Routes Development Committee (CDRA), which promoted Barcelona airport and is formed by the Catalan government, Barcelona City Council, the Barcelona Chamber of Commerce and AENA.

The airport is currently undergoing a process of modernization and expansion of its facilities. All the

improvements in progress will make it possible to expand the capacity of the airport to 70 million users per year: the new terminal, the airport town with extensive services areas and the improved accesses.

07.

TOURIST REFERENCE AND CITY OF TRADE FAIRS AND CONGRESSES

7.1 URBAN TOURISM DESTINATION

Barcelona became consolidated years ago as a magnificent tourist destination. This is shown by the first world ranking of the most visited cities, the Top 150 City Destinations Ranking, drawn up by Euromonitor International, which places Barcelona in the top 10. The Catalan capital also holds 5th place in the list of European tourist cities, according to European Cities Marketing; and it holds first place in the 2006 list of non-state capital tourist cities.

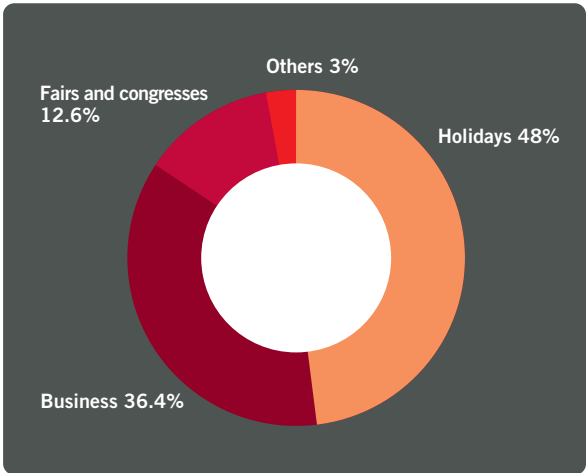
The figure of 7 million tourists was exceeded in 2007, generating 13.62 overnight stays, with an annual increase of 6% over 2006.

BARCELONA TOURISM INDICATORS			
	2006	2007	06-07 Variation
Tourists	6,709,175	7,108,393	6%
Overnight stays	13,198,982	13,620,347	3%

Source: Turisme de Barcelona

Of the tourists who came to the city, 49% did so for professional reasons; 48% did so for leisure reasons. This is a highly beneficial mix for the city, where the balance between professional and holiday tourism, clearly strengthens the sector.

REASON FOR VISIT, 2007



Source: Turisme de Barcelona

Europe is the main source market for tourism in Barcelona; the UK is the main country of origin; and Italy is in a consolidated second place, having grown in recent years. Furthermore, the US broke the half-a-million barrier in tourists in 2007 for the first time.

ORIGIN OF TOURISTS IN BARCELONA, 2007	
Spain	29.00%
United Kingdom	11.10%
Italy	8.80%
United States	7.50%
France	6.40%
Germany	5.30%
Netherlands	3.10%
Japan	2.00%
Others	26.80%
Total tourists	100.00%

Source: Turisme de Barcelona

According to Turisme de Barcelona, 86.6% of tourists who stayed in hotels in 2007 arrived by plane (compared to 78.6% in 2006). Expenditure with international credit cards continues to grow strongly in Barcelona (annual increase of 30.37% in 2007) and has gone from €821.8 million in 2005 to €1.43 billion in 2007. Barcelona receives 24% of this type of expenditure in the whole of Spain.

The city has an extensive offering of quality hotels, with 295 establishments, 27,806 rooms and 54,036 beds; the mean occupancy rate is 79.7%. Four-star hotels have grown most in recent years. The tourist industry has committed strongly to increasing the number of hotels in Barcelona and this has made it possible to host international large-scale events such as the Mobile World Congress.

HOTEL SUPPLY INDICATORS			
	2006	2007	06-07 Variation
Hotels	285	295	3.5%
Rooms	26,968	27,806	3.1%
Beds	52,484	54,036	3.0%
Hotel occupancy rate (over total rooms)	77.7%	79.7%	2 points

Source: Turisme de Barcelona

Tourists visiting Barcelona give the city a high overall score (8.21 on a scale of 0-10), according to a survey carried out by Turisme de Barcelona. The aspects most highly valued are architectural heritage, culture, shopping and leisure opportunities, hotels and restaurants.

Gastronomy is clearly an important attraction factor thanks to the good international position of Catalan cuisine and the prestige of Catalan chefs. Barcelona is the city with the most Michelin stars in Spain: 16, according to the 2008 Michelin Guide.

7.2 TOURIST CRUISES

Barcelona is the leading cruise port in Europe and is only beaten in the world ranking by destinations in the Caribbean and North America.

The city has seen the number of visiting cruise passengers increase spectacularly: it has gone from 115,137 in 1990 to 1.77 million in 2007. Last year alone saw an increase in passengers of 25.7%.

CRUISE INDICATORS			
	2006	2007	06-07 Variation
Embarking passengers	392,747	483,527	23.1%
Disembarking passengers	389,170	486,324	25.0%
Transit passengers	625,262	798,455	27.7%
Tourist cruise passengers	1,407,179	1,768,306	25.7%
Cruises	714	817	14.4%

Source: Port Authority of Barcelona

The forecast for the coming years is excellent and the city expects to reach 2 million cruise passengers by 2008, according to the Port of Barcelona. To be able to handle this growth, some of the old terminals are being remodelled and some new ones are being built. One of the attractions of Barcelona is that the cruise terminals are very close to the centre and tourists can take a trip through the historic part of the city on foot in just a few hours.

The port authorities want to reduce the seasonal nature of this activity, which is concentrated between May and October, and add to transit cruises with cruises starting or ending in the city, thus meaning that passengers remain in Barcelona for 2 or 3 days and not 12 hours, as is the case of passengers on cruises that only call at port.

7.3 CONGRESSES, CONVENTIONS AND INCENTIVE TRIPS

In 2007, Barcelona had a good year in terms of hosting congresses, with a growth of 36.2% in the number of meetings. Of these meetings, conventions and incentive trips are the events that have grown most, with an increase of 48.2% with respect to the previous year.

In keeping with the above data, the number of delegates has also increased considerably over 2007 to reach 28.2% more than in 2006.

CONGRESS ACTIVITY INDICATORS			
	2006	2007	06-07 Variation
Total congresses and conventions	1,303	1,775	36.2%
Number of congresses	335	340	1.5%
Number of conventions and incentives	968	1,435	48.2%
Total delegates	491,028	629,704	28.2%

Source: Barcelona Convention Bureau

Consolidation of the international position of the city was a highlight of 2007, as 80% of delegates were from other countries and 63.8% of the meetings were also international.

As in previous years, there was a predominance of medical and health care congresses and congresses on new technologies. The World Cardiology Congress attracted 30,000 professionals and the mobile telephony congress was attended by 55,000 visitors.

The direct economic repercussion of the congress and convention activity in the city in 2007 had a value of €1.712 billion, according to estimates by the Barcelona Convention Bureau of Turisme de Barcelona.

Finally, Barcelona is the 2nd city in the world in number of delegates attending congresses, according to the International Congress & Convention Association (ICCA) and the 5th in number of international congresses in 2007, according to the same source.

7.4 FIRA DE BARCELONA

TOP FAIRS IN EUROPE					
Barcelona		Rest of european cities			
CONSTRUMAT	Nº 1	Batimat - Paris	Nº 2	Bau - Munich	Nº 3
PISCINA	Nº 1	Piscine - Lyon	Nº 2	Intervad - Düsseldorf	Nº 3
3GSM	Nº 1	Cebit - Hannover	Nº 2		
BREAD&BUTTER	Nº 1	Pitty - Florence	Nº 2		
EIBTM	Nº 1				
ALIMENTARIA	Nº 2	Anuga - Cologne	Nº 1	Sial - Paris	Nº 3
B.M.P.	Nº 2	Mipm - Cannes	Nº 1	Inmobiliario - Madrid	Nº 3
EXPOQUIMIA	Nº 2	Achema - Frankfurt	Nº 1	Interchirmie - Paris	Nº 3
HOSTELCO	Nº 2	Host - Milan	Nº 1	Equiphotel - Paris	Nº 3
NAUTIC	Nº 2	Nautico - Genoa	Nº 1	Boot - Düsseldorf	Nº 3
S.I.L.	Nº 2	Transport et logistic - Paris	Nº 1		
SONIMAGFOTO	Nº 2	Photokina - Cologne	Nº 1		
AUTOMOBIL	Nº 3	Automobil - Frankfurt	Nº 1	Automobil - Paris	Nº 2
CARAVANING	Nº 3	Caravaning - Düsseldorf	Nº 1	Caravaning - Rimini	Nº 2
HISPACK	Nº 3	Interpack - Düsseldorf	Nº 1	Emballage - Paris	Nº 2

Source: Fira de Barcelona

Barcelona has a trade fair institution that is a gold-standard in Europe, with a tradition of more than 100 years, beginning with the Universal Exhibition of 1888.

Fira de Barcelona organizes 75% of the big industrial and professional trade fairs in Spain and has 15 fairs that are a reference in Europe as they are in the top places in their speciality: (see table above)

2007 was an excellent year for Fira de Barcelona: with a total of 80 fairs on its books (annual and biennial fairs), it held 65 in 2007, with 45,000 exhibitors, of whom 34% were international. There was an increase of 17% in the number of international exhibitors in 2007. The year closed with 3.5 million visitors and 20% of professional visitors from abroad.

In recent years, 15 new fairs have been created and attracted, including EIBTM, the World Mobile Congress and Bread & Butter - world leaders in their sectors. Fira works to continue growing on the basis of quality and by paying attention to the new emerging sectors, creating and attracting new fairs and potentiating existing fairs.

The Fira de Barcelona Strategic Plan for the 2006-2015 period also focuses on expanding the new Gran Via centre and remodelling the historic centre in the city at Montjuïc. The Montjuïc centre, with 8 exhibition halls, and the new centre on Gran Via, with 6 large pavilions, add up to a total of 365,000 square meters for exhibitions. It is the biggest exhibition space in Spain and one of the biggest in Europe. The upcoming expansion of 40,000 square meters of additional space will bring the total to 405,000 square meters.

With the conclusion of the works, Barcelona will have the second largest exhibition centre in Europe and the foremost in design, technological innovation and customer service. The importance of the fair activity for Barcelona is made clear in a study by the Universitat Pompeu Fabra, which estimated its economic impact at €2.3722 billion in 2006 in increased production of goods and services generated in the economy (approximately 1% of the Catalan GDP). The impact on employment was 26,748 direct and indirect jobs.

08. QUALITY OF LIFE

Barcelona is a dynamic, modern and diverse city where a deep entrepreneurial, commercial and business spirit has lived for centuries alongside the art of knowing how to live and enjoy the expressiveness of a culture and a demanding urban quality.

For the ninth consecutive year, European executives surveyed in 2007 by the consulting company, Cushman & Wakefield, for their annual European Cities Monitor 2007 report, rated Barcelona as the European city with the highest quality of life for employees.

BEST EUROPEAN CITY IN QUALITY OF LIFE, 2007	
Barcelona	1
Geneva	2
Madrid	3
Paris	4
Stockholm	5
Munich	6
Zurich	7
Oslo	8
Amsterdam	9
Vienna	10

Source: Cushman & Wakefield Healey & Baker, 2007

8.1 CLIMATE AND ENVIRONMENT

The Mediterranean climate of Barcelona provides moderate and pleasant temperatures throughout the year, few days of rain and many hours of sunshine. The mildness of the climate and the many hours of sunshine (up to 15 hours a day in summer) make it easy to associate daily life in Barcelona with good weather and street activities.

BARCELONA CLIMATE INDICATORS	
Mean annual temperature	18.4°C
Maximum extreme temperature	33.4°C
Minimum extreme temperature	2.6° C
Annual hours of sunshine	2,769

Source: Barcelona City Council. 2008 Statistics Yearbook

The urban beaches of Barcelona, with 4.5 km, are the most used leisure space in the metropolitan area thanks to their high level of safety, hygiene, facilities and ease of access by public transport. People go there to swim, sail, sunbathe, stroll, play and enjoy the sea.

Barcelona has many green areas, parks and gardens distributed throughout its territory, and 371,334 trees shading its streets and avenues.

BARCELONA GREEN AREA INDICATORS	
Urban Parks (green areas destined for public use)	5,593,000 m²
Urban green (green spaces incorporated into the urban area)	10,620,800 m²
Urban green per capita	6.6 m2/inhabitant

Source: Barcelona City Council, 2007

At the edge of the city is Collserola park, with 8000 hectares of forest land (1795 ha in municipal territory).

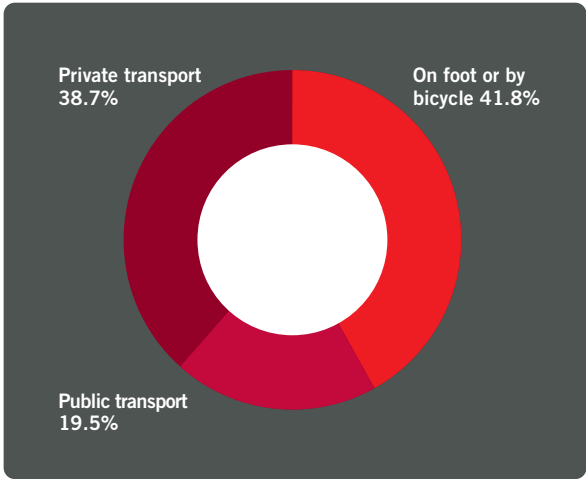
This park is one of the biggest natural space in the world so close to a metropolis. Less than an hour from Barcelona, there are other protected natural areas and parks that encourage sport and participation in outdoor leisure activities.

8.2 SUSTAINABLE MOBILITY

The model of the city of Barcelona is based on the territorial balance of its districts and it is trying to maintain throughout minimum standards of urban quality.

The city enjoys sustainable mobility and fosters public transport and pedestrian zones. The total number of journeys in Barcelona and the rest of the Metropolitan Region in 2007 was 14.7 million per day, and 4.3 million per day within Barcelona. Of these journeys, almost half are made on foot or by bicycle (41.8%) and 19.5% using public transport, according to the 2007 survey on mobility on a working day. Private transport is used in 38.7% of journeys. Within the Metropolitan Region, which includes 164 municipalities around Barcelona, the district that makes most use of public transport is El Barcelonès (29.9%), formed of the city of Barcelona and the surrounding municipalities.

MODES OF TRANSPORT IN JOURNEYS (2007) METROPOLITAN REGION



Source: Metropolitan Transport Authority and Barcelona City Council

Barcelona has 150 km of cycle lanes that will be increased to 200 km in the medium term. The increase in the network will include the installation of more above-ground bicycle parking spaces (up to 3850). The urban network of cycle lanes is complemented by a 60-km network surrounding the metropolitan area, the so-called Green Ring road, which includes the municipalities surrounding Barcelona.

Also, since March 2007, citizens have been able to enjoy a new public transport system by bicycle - "Bicing". The system installed by Barcelona City Council has 130,000 registered users a year after the initiative was implemented. The service provides users with access to more than 4,000 bicycles at 286 stations, for short trips within the city; there are more than 40,000 of these journeys made each day. In light of the excellent uptake of the new transport system and the success achieved, the service will soon be expanded to 400 stations and 6,000 bicycles.

The city has a public transport network (bus, metro, tram and local train) that is comfortable and efficient, with a comparatively far lower cost than in other European cities. In 2007, the public transport network was used by 934.8 million people, representing an increase of 24 million more with respect to 2006 (2.7% increase). The largest percent increase was experienced by the Metropolitan Tram, with an increase of more than 23%, whereas, in absolute values, the increase of the Barcelona Metro network stands out with 13 million journeys.

The available public transport increased considerably in the city and surroundings in 2007. This included the extension of both tram networks, to Sant Feliu de Llobregat and Badalona, new rolling stock for both the metro and the Catalan Government railway, as well as improvement programmes for the different networks of buses (with 109 lines, 2,536 buses and 922 km of network).

8.3 STIMULATING CULTURAL OPPORTUNITIES

On the streets of Barcelona, there are 913 monuments (sculptures, fountains and other artistic and ornamental pieces) that can be enjoyed on strolls through public spaces. Furthermore, the city has a valuable architectural heritage (Roman, Romanesque, Gothic, Art Nouveau and contemporary) that constitutes a tremendous attraction for visiting the city. Barcelona is the only city in the world with 9 buildings that have been declared Human Heritage by UNESCO.

Catalonia has 103 museums and 296 collections registered in 2007 (16 more than the previous year) that received a total of 23 million visits, representing an increase of 11% over 2006. Of these 103 museums, 49 are in Barcelona. In 2007, 4 Catalan museums (3 of them in Barcelona) exceeded the figure of a million visitors: The Futbol Club Barcelona Museum, (1.4 million), the Dalí Museum, (1.3 million), the Picasso Museum (1.1 million) and the Joan Miró Foundation (105 million). The Temple of the Holy Family (Sagrada Família) is the most popular cultural installation in Spain, with 2.84 million visitors in 2007.

The musical panorama is highly active: from classical music and opera at the Auditorium, Palau de la Música Catalana and the Lyceum opera house, to rock and pop concerts with big names, traditional music, contemporary music and experimental music. The Barcelona Summer Festival provides a wide range of stage and musical arts with an Avant Garde programme.

Theatre has a strong tradition in Barcelona, with 45 theatres and in 2007, almost 2.4 million spectators went to the numerous shows in public, commercial and small alternative theatres.

The range of public libraries in the city has doubled in a decade. There is currently a wide range and the 31 centres around the city saw almost 5.2 million visits and lent 3.9 million documents during 2007. This offering has doubled in a decade. The love of reading of the citizens of Barcelona is plain to see from the fact that 537,553 people (57.9% adults between 25 and 55 years and 17% foreigners) have library cards for the network of public libraries.

There are 319 libraries and 11 mobile libraries in Catalonia (with 10.4 million documents available), to which will be added a further 100 libraries before 2012. These centres received almost 20 million visits (5% more than in 2006) and lent 14.05 million documents over the course of 2007. A total of 2.3 million library cards for users of the public network of libraries were issued in Catalonia, making the libraries the "biggest club in Catalonia". One of the services most prized by the users is the ability to consult foreign press via the Internet. The public network of libraries offer links to 200 newspapers from 60 countries, in 20 languages.

Barcelona is also an active city in cinema production and projection and is increasingly the choice of national and foreign producers as a setting for making films, reports or advertisements. A total of 1,358 productions took place in Barcelona in 2007 (3 times the figure for 2006), 52 of which were films. The city hosted 23 international audiovisual festivals and fairs and its 201 cinema screens received more than 9.5 million spectators.

8.4 SPORTS OPPORTUNITIES

Barcelona is the leading European city and the 3rd in the world in number of members of sports clubs in relation to the number of inhabitants. Sport is one of the main factors for associations in the city: 20.8% of Barcelona's citizens (some 300,000 people) are associated with one of the 1,000 sporting entities and clubs in the city. Municipal facilities alone had 180,000 members in 2007 - 12% of the population.

The total number of occasional users of municipal sports facilities reaches 700,000 per year.

According to the survey of sports habits in Barcelona, carried out in 2006, 64.6% of the adult population practices some physical or sporting activity.

The public offering to satisfy this sporting spirit in the city is highly varied: 1,511 public sports areas evenly distributed throughout the city, nearly 144 sporting events with public support in 2007, with participation by 196,437 people; 15 of these events were international and 11 had a participation of more than 2,000 people. A mass event was the 25th El Corte Inglés Race, in which 53,321 runners took part. This event set the 1992 Guinness record for participation in a popular race, with 109,457 participants and this record has still not been beaten.

To manage this sporting capital, Barcelona has had a strategic plan for sport since 2003. It is the first European city to have such a strategic plan, an instrument to define a global project for developing sport that has been agreed by all the actors involved.

8.5 COMPETITIVE COST OF LIVING

Barcelona continues to be one of the most competitive cities in Europe according to a study carried out each year by Mercer Human Resource Consulting. Although Barcelona moved to 31st place in the ranking of cost of living of the world cities analysed in this study, the increase in the cost of living is mainly due to the increased exchange rate between the euro and the dollar, which is the reference standard at international level. This effect has occurred in all European cities, which have risen in the ranking in comparison with other cities in the rest of the world.

The effect is clear when we analyse the cost of living exclusively among European cities. Barcelona was in 21st place in 2007 - only 1 place above 2006 when it took 22nd position among European cities in terms of cost of living.

Thus, Barcelona is cheaper than Moscow (the most expensive European city due to the high costs of accommodation), London, Geneva, Oslo, Milan, Paris, Dublin, Rome, Athens or Prague.

8.6 RESIDENTIAL REAL ESTATE MARKET

The residential market in Barcelona, as in other Spanish cities, is mainly a purchase market.

The evolution of the real estate market in 2007 certifies the end of the property boom of recent years. The second half of 2007 consolidated the reduced construction activity that had begun in mid-2006. Nevertheless, government-subsidized housing development has maintained quite high levels of activity. In the city as a whole, government-subsidized housing represented 31% of all housing built - of the 4872 residences begun in 2007, 1,553 were government-subsidized.

A similar situation occurred in 2007 in terms of finished housing: supply fell by 7.6% compared to 2006, where as government-subsidized developments increased by 3.0% A total of 5,843 dwellings of both types were made available in 2007.

The strong rising trend in house prices of recent years came to a halt in 2007: new construction stabilized with an annual price increase of 2.2% over 2006 and second-hand prices saw a slight fall of 2.9%. In 2007, the average price for new and second-hand housing was €5,918/m² and €4,860/m², respectively.

MEAN HOUSING PRICES IN BARCELONA Second Half of 2007	
Rent (€/m²/month)	15.79
Sale of new housing (€/m²)	5,918
Sale of second-hand housing (€/m²)	5,007
Source: Municipal Housing Board - Barcelona City Council	

The new context also manifest itself in the rental market, not so much in the form of lower prices, but in a slowdown in the signing of new contracts. 2007 closed with a total of 24,162 contracts - only 1% more than the previous year. The cost of renting rose by 11.6% in the 2006-2007 period, from €14.15/m2/month to €15.79/m²/month.

09.

INTERNATIONAL POSITIONING

Barcelona is highly rated in many studies, which include comparative indicators or classifications of cities or regions, prepared by prestigious consulting companies or independent bodies. Following is a selection of indicators that have appeared over the past 2 years and are renewed during different periods:



The Barcelona Brand is number 1 in Europe

Branding Communication Strategies for Cities in Europe.
Porter & Novelli.
May 2006

In this study, the American public-relations consultants indicate that Barcelona has a brand that stands out, even in front of Paris and London. The keys to success include its history, public-private cooperation, firm political leadership and strongly rooted identity and collective feelings. In the category of tourism brands, Barcelona shares the lead with Paris and Prague.



Barcelona, 3rd city in Europe that makes best use of its Brand position

City Brand Barometer 2008.
Saffron.
August 2008

As a complement to the previous study, the research by Saffron shows that Paris, London and Barcelona are the cities that get the most mileage from the positioning of their brand to achieve a recognition that exceeds even the prestige of what they have to offer.



Barcelona is the 4th ranking European City Brand

The Anholt City Brands Index.
Global Market Insite (GMI).
December 2007

This annual report also resituates the Barcelona brand as the most valued non-state capital, the 4th in Europe and 9th in the world.



Barcelona, 5th European city for business

European Cities Monitor.
Cushman & Wakefield Healey & Baker.
October 2008

The survey of 500 executives of big European corporations announces that Barcelona is preferred by companies for setting up business, behind London, Paris, Frankfurt and Brussels. Furthermore, in the latest edition of the study, Barcelona stands out as the city that is progressing most and maintaining its leadership in quality of life.



Barcelona, 3rd investment destination in Europe

European Investment Monitor.
Ernst & Young.
June 2007

The latest edition of this study indicates that the Barcelona area maintains its ability to attract international investment projects.



Barcelona, 1st Mediterranean city

Baromed 2008.
Ernst & Young.
June 2008

This new study, which evaluates the potential for attracting new projects of the main cities of the Mediterranean, indicates the notable role of Barcelona as a pivot for exchanges between Europe, Africa and Asia.



Barcelona, in the club of the world's strongest cities

Study by PriceWaterhouseCoopers.
2007

According to these consultants, Barcelona is in 31st place, ahead of cities such as Shanghai or Singapore, in the ranking of the 36 capitals with the greatest economic potential in the world that concentrate 16% of global production.



4th European city with available exhibition space (280,000 m²)

Ranquing Europeu Recintes Firsals.
AUMA.August 2007

The latest edition, published in Germany, noted the Fira de Barcelona expansion and highlighted the overall assets of the city for organizing international events.



5th in the hosting of International Congresses

The World Country & City Rankings 2006
International Congress & Convention Association (ICCA).
April 2007

According to the data of this association, Barcelona is one of the top 5 locations for hosting international congresses.



7th city in the world in number of international meetings organized

International Meeting Statistics
Union of International Associations. August 2006

The growing number of congresses, trade fairs and conventions held in Barcelona position it as a favourite destination for doing business at international level.

10.

FOR MORE INFORMATION

// BARCELONA CITY COUNCIL

Local city government

www.bcn.cat

// BARCELONA AIRPORT

AENA, Aeropuertos Españoles y Navegación Aérea

www.aena.es

// ACCIÓ - CIDEM COPCA

www.acc10.cat

// BARCELONA ACTIVA

Local economic development agency

www.barcelonactiva.es

// BARCELONA CENTRE UNIVERSITARI (BCU)

www.bcu.cesca.es

// OFFICIAL CHAMBER OF COMMERCE, INDUSTRY AND SHIPPING OF BARCELONA:

www.cambrabcn.es

// CASA ÀSIA

Public institution that encourages knowledge
of and relations with Asia

www.casaasia.org

// FOREIGN TRADE STATISTICS OF THE SPANISH REVENUE AGENCY

www.aeat.es/aduanas/estadist/

// INVESTMENT STATISTICS OF THE SPANISH SECRETARY OF STATE FOR TOURISM AND COMMERCE

www.mcx.es

// FIRA DE BARCELONA

www.firabcn.es

// INE

Spanish National Institute of Statistics

www.ine.es

// IDESCAT

Catalan Institute of Statistics

www.idescat.net

// BARCELONA INSTITUTE OF REGIONAL AND METROPOLITAN STUDIES (IERMB)

www.uab.es/iemb/

// EUROSTAT

Statistics Bureau of the European Commission

www.europa.eu.int/comm/eurostat/

// GENERALITAT DE CATALUNYA

Government of Catalonia

www.gencat.cat

// PORT OF BARCELONA

Port Authority of Barcelona

www.apb.es

// 22@ MUNICIPAL COMPANY

www.22barcelona.com

// TURISME DE BARCELONA

www.barcelonaturisme.com